

DEPARTMENT OF SOCIAL WELFARE

744 P STREET
SACRAMENTO 95814

January 9, 1974

ALL-COUNTY LETTER NO. 74-3

ALL COUNTY WELFARE DIRECTORS

QUALITY CONTROL PROGRAM

California recently completed its Federal Quality Control base period reviews. The results, from a national viewpoint, are not unfavorable. The nationwide overall error rate is 41.1% (Ineligibles 10.2%, Overpayments 22.8%, and Underpayments 8.1%). California's overall error rate is 34.1% (Ineligibles 8.4%, Overpayments 17.8%, and Underpayments 7.9%), the lowest of the large caseload states.

While we may have some feeling of satisfaction from our comparative standing, there is still a substantial job before us in the next eighteen months if we are to reach tolerance levels. We believe one way to accelerate error rate reduction is through county quality control systems where the sources of errors can be discovered, and immediate corrective action implemented. With this in mind, we are strongly recommending and encouraging counties to establish effective quality control systems. An effective quality control system with error identification, cause identification and proper corrective action implementation should eliminate many welfare payment problems with which most counties are currently struggling.

In the past we have been sending a small sample of AFDC cases in order to utilize county quality control staff previously used for the adult sample. We are now going to discontinue sending this sample, and in its place, if the county so requests, send any sample size desired. This, however, is contingent upon the county submitting a proposal for its quality control program. This proposal should include the following:

1. Method of sample selection
2. Sample size
3. Frequency of sample selection
4. Number of full-time staff (reviewers and supervisors, shown separately) in AFDC quality control work; the same information for the Food Stamp

OBsolete
Superseded by DCL 77-15
Issued 3-17-77

In order to establish valid error rates in each county as soon as possible, we are encouraging all counties to send their proposed Quality Control review system to:

Department of Social Welfare
Program Assessment Branch - 13-77
744 P Street
Sacramento, California 95814

In turn, the State Department of Social Welfare will review the system and offer any guidance that may be necessary.



P. J. NEWLIN

Chief Deputy Director *program & legal operations*

Attachment

ALL COUNTY LETTERS

74-3

ATTACHMENT

AFDC QUALITY CONTROL COUNTY SAMPLING INSTRUCTIONS

In addition to Federally required quality control reviews, the State encourages counties to develop a system of quality control review yielding valid information within each county on which to base corrective action and reduce error rates. Counties may obtain sample cases for quality control review from the State or may draw their own samples within State guidelines. The following instructions cover the selection of a random sample of cases by the State or by the county.

I. State Selection of Sample

The State will provide a random sample of cases to any county for any month. The size of the sample may be varied from month to month. To obtain a sample, the county should fill out and submit Form EC 180 as follows:

1. Enter the county name, the month and year for which a sample is desired.
2. After "State Selection Requested" enter the number of sample cases desired. This number must be a multiple of 20.

Choosing the desired sample size

Counties will design individual sampling plans, in conjunction with State staff. Factors such as available staff (county and/or state), number needed for statistical confidence, and review scheduling (e.g., every other month) will enter into this decision.

Once a county has decided how many reviews it wishes for the month in question, two further adjustments remain.

- a. Erroneous listings and incomplete reviews should be taken into account. Not all reviews will be completed (e.g., due to transfer of recipient out of state). In addition, the file from which the State draws samples, the Master Persons File, includes a number of erroneous listings, cases which in fact have already been discontinued. These cases remain on the Master Persons File until counties remove them with M208 logs.

To begin, counties should increase the desired size by one-third to allow for erroneous listings. Since counties vary in the timeliness with which they report discontinuances to the Master Persons File, a few months of experience will show the individual county that it needs to make a greater or lesser allowance for erroneous listings.

- b. Finally, the sample size should be rounded to a multiple of 20.

Example: County X needs 150 case reviews in a six-month period. Due to rotation of staff between public assistance quality control and Food Stamp Quality Control, it will need public assistance cases two months out of three. Each of four months per half-year, therefore, it needs 38 cases. Allowing for incomplete reviews and an average erroneous listing rate, 53 cases are needed. This is rounded to the nearest multiple of 20, and 60 cases are requested.

3. The second part of Form EC 180, "County Selection," is not filled out in this instance.
4. At bottom of form, enter name of person preparing request, title, telephone, and date.
5. Make at least two copies, sending one copy to the State (address is on form) and retaining other(s) for county records.
6. Due Date: To request a sample for a given month, Form EC 180 requesting this sample must be in the Program Information Bureau by the 15th working day of the previous month. The State will return a list of sample cases to the county the first or second week of the review month.

II. County Selection of Sample

Counties may select their own sample cases for quality control review. It is important that cases be selected by a random process, not affected by human choice or systematic bias. In order to establish the validity of the sample selection process, a necessary component of the validity of final results, the following instructions must be conformed to:

1. County-Designed System

A county with a computerized sample selection system may select the sample by any truly random process. Counties utilizing their own electronic data processing methods must submit in writing to the Quality Control Bureau, Department of Social Welfare, 744 P Street, Sacramento, California 95814, a detailed description in narrative form of the random selection computer program used to select the sample.

2. Manual County Selection

a. List or File of Cases

The county must have a list or file of AFDC cases on aid for the month in question as certified by the date of sample selection. It is important that this list be as complete as administratively feasible, and in no case should there be systematic or biased omission of cases from the sampling frame.

b. "Page" Division

The list or file of cases should be divided into pages, real or hypothetical, not exceeding 88 cases per page.

c. Random selection

Random selection of a case consists of a random choice of a page and a random choice of a case on that page. Counties will receive two tables of random numbers, one for page numbers (four-digit numbers) and one for selecting a case on a page (two-digit numbers). New tables will be supplied each six months and will be in use throughout the entire six-month period.

d. Using the Random Number Tables to Select Cases

- (1) If the number of pages of the sample universe is less than 1,000, ignore the left digit in each column of page numbers. If less than 100, ignore the left two digits. If less than 10, use only the right-most digit.
- (2) Each month, begin at a random point in each table. Record this point by page, column, and position in column in working papers. These papers must be available for State review.
- (3) Using the table of random page numbers, take the first page number down the column from the starting point which does not exceed the number of pages in the sample universe. Turning to the table of random cases on a page, select the first two-digit number not exceeding the number of cases per page. The two numbers together specify a random case.
- (4) Cases which have been sampled in the last six months must be discarded and another case randomly selected. Record the sample case.
- (5) If the end of a random number table is reached before the required number of sample cases has been selected, loop around to the beginning of the table.

Example: A county has divided its cases into 23 pages with 20 cases per page.

<u>Random page numbers</u>		<u>Random case on page</u>	
	1069		31
	9819	Starting point →	20
Starting point →	6141		83
	5221		6
	3803		19
	2716		18

Page 41 is too high. Page 21 is taken; the 20th case on that page.

Next is page 3, the 6th case (83 being too high).

Then page 16, the 19th case, etc.

e. Submission of Form EC 180.

- (1) Cases sampled must be reported immediately after selection to the State on Form EC 180. Counties are not to wait until the actual quality control review is completed to submit Form EC 180.
- (2) Enter county name, the review month and year of the sample.
- (3) Part I, "State Selection Requested", is not filled out in this instance.
- (4) Enter the seven-digit case number and the case name for each case in the sample. Use additional copies of Form EC 180 as necessary.
- (5) Enter name of person preparing form, title, telephone, and date.
- (6) Make at least two copies, sending one copy to the State (address on form) and retaining other(s) for county records.
- (7) Due Date: Form EC 180, Part II, is to be in the Program Information Bureau by the tenth working day of the review month. This should give the county time to select the sample the first week of the month.

III. Submitting Quality Control Reviews

Quality control reviews will be reported on Federal Form OQC-341-A. At the top right of each form, mark clearly "County Sample". Reviews should be submitted on a flow basis to Program Information Bureau, 744 P Street, M. S. 12-81, Sacramento, California 95814. It is important that a definitive report on each case in the sample be submitted, regardless whether a completed review could be obtained. Section Q of Form OQC-341-A provides for reporting the disposition of the sample case. A county sample for a given month cannot be regarded as valid unless a Form OQC-341-A is submitted for each sample case.

The deadline for submitting a review schedule for a review month will be part of the county's individual quality control plan worked out with the State.